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SUBJECT: SERBIAN ELECTIONS SET FOR JANUARY 21, 2007

REF: A) BELGRADE 1777; B) BELGRADE 1700; C) BELGRADE 1610; D)

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SUMMARY

11. (SBU) Early on November 10, the Serbian Parliament adopted the constitutional law and set January 21 as the date for new parliamentary elections, with presidential elections mandated sometime before December 31, 2007. Parliament is disbanded and Prime Minister Kostunica's government continues in caretaker status without the G17 Plus ministers, whose resignations have now been formally recognized. Separate cables will discuss reactions to the postponement of Kosovo negotiations and the official start of the election campaign. End Summary

## Constitutional Law Adopted Early Friday Morning

- 12. (SBU) The Serbian Parliament formally adopted the constitutional law during a marathon session early Friday morning, November 10 after the main parties— the Democratic Party (DS), the Serbian Radical Party (SRS) and the Democratic Party of Serbia (DSS)—reached agreement on a timetable for elections. It was agreed that parliamentary elections would be held on January 21, 2007 and that all other elections (Presidential, Provincial and Local) would be held at some point before the end of 2007. The Parliament set the end of 2008 as the deadline for passing the many laws that are required under the new Constitution, with passage of five key ones (Law on the Presidency; Law on the Military; Law on Defense; Law on Internal Security; and Law on Foreign Affairs) required before Presidential elections can be scheduled.
- 13. (SBU) The SRS, DS and DSS all voted for the law, while the G17 Plus voted against, pressing unsuccessfully for an amendment that would have lowered the minimum amount of time for elections from 45 to 30 days and allowed a December election date. The Socialists took the lead in fighting off the G-17 plus effort, successfully passing their own amendment upping the timetable for elections from 45 to 60 days, effectively ensuring a date in 2007. Despite the fact that the session was mainly a formality because an agreement between the main parties had been reached ahead of time, the session lasted well into the night, with parties verbally assaulting each other at all levels.
- 14. (SBU) Speaker of the Parliament Markovic opened the session by formally recognizing the letters of resignation submitted by G-17 plus Ministers back in October. Once the Constitutional Law was passed the door was opened for President Tadic to officially confirm the date of elections with a Presidential Proclamation, which he did later that day. The law effectively recognizes that the

government's mandate is technically over (it is not a resignation); the parliament was in effect disbanded the moment President Tadic signed for new parliamentary elections. The government remains in caretaker status and the G-17 plus Ministries (Finance, Health and Agriculture) are now to be headed by coordinators (other caretaker ministers) that will be appointed at the next session of this caretaker government. Since there is no parliament until after the elections (barring a state emergency), there will be a provisional budget for 2007, a form of continuing resolution that Serbian law allows until March 31, 2007. Press reports were suggesting that the government would appoint Economy Minister Bubalo (DSS) as coordinator of the Ministry of Finance.

- 15. (SBU) The Constitutional Law also mandated the reappointment of certain governmental functions that were designed to be protected from political influence, effectively shortening the existing "technical mandates." Thus, the law provides for the new parliament to re-appoint the Governor of the Central Bank and the [Freedom of] Information officer, an ombudsman-type appointment that prevents the government from withholding official documents from the public and which has repeatedly come into conflict with Kostunica's Ministers. In addition, the law will require the reappointment of all judges, including those at the Special Courts responsible for War Crimes and Organized Crimes.
- 16. (SBU) Given the enormous legislative task that the next parliament will face on both appointments and legislation, there is some murkiness as to when the government will follow the provisions of existing laws (under the old Constitution) and when it will decide to respect specific provisions of the new Constitution that have not yet been formally incorporated into legislation. To make matters worse, the Presidency of the Constitutional Court is vacant -- he recently retired and his replacement has yet to be named -- with only the President of the Court empowered to convene the court if there is a dispute over legal interpretations of the Constitution.

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## Comment

17. (SBU) Political parties across the spectrum did not waste any time in launching their parliamentary campaigns. Amidst all the self-congratulatory statements following the debate on the constitutional law, it is hard not to see the January 21 date as a defeat for the DS. Tadic lost on his push for concurrent elections and also on his efforts to force elections before the end of the year. In exchange, the DS received an extended time frame for Presidential Elections, from May 31 (the Radical position) to the end of the year.

18. (SBU) The political convenience of many provisions written into the Constitutional Law could mean problems down the road. The Governor of the Central Bank has already criticized the decision to effectively shorten his mandate but his protests are likely to be in vain. NGO groups have taken up against the re-appointment of the Information Officer, protests that are also likely to have limited effect. Most problematic, however, is that the Constitutional transition, with its long cross-cutting list of required legislation and appointments, could allow considerable political manipulation of sensitive issues. This will give the caretaker government and the President new opportunities to remain passive or to take unexpected action on the difficult issues we are likely to face in the months ahead.

POLT